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Supreme Court of the United States

OCTOBER TERM.

No. 254.

PARAMOUNT PUBLIX CORPORATION,
Petitioner,

vs.

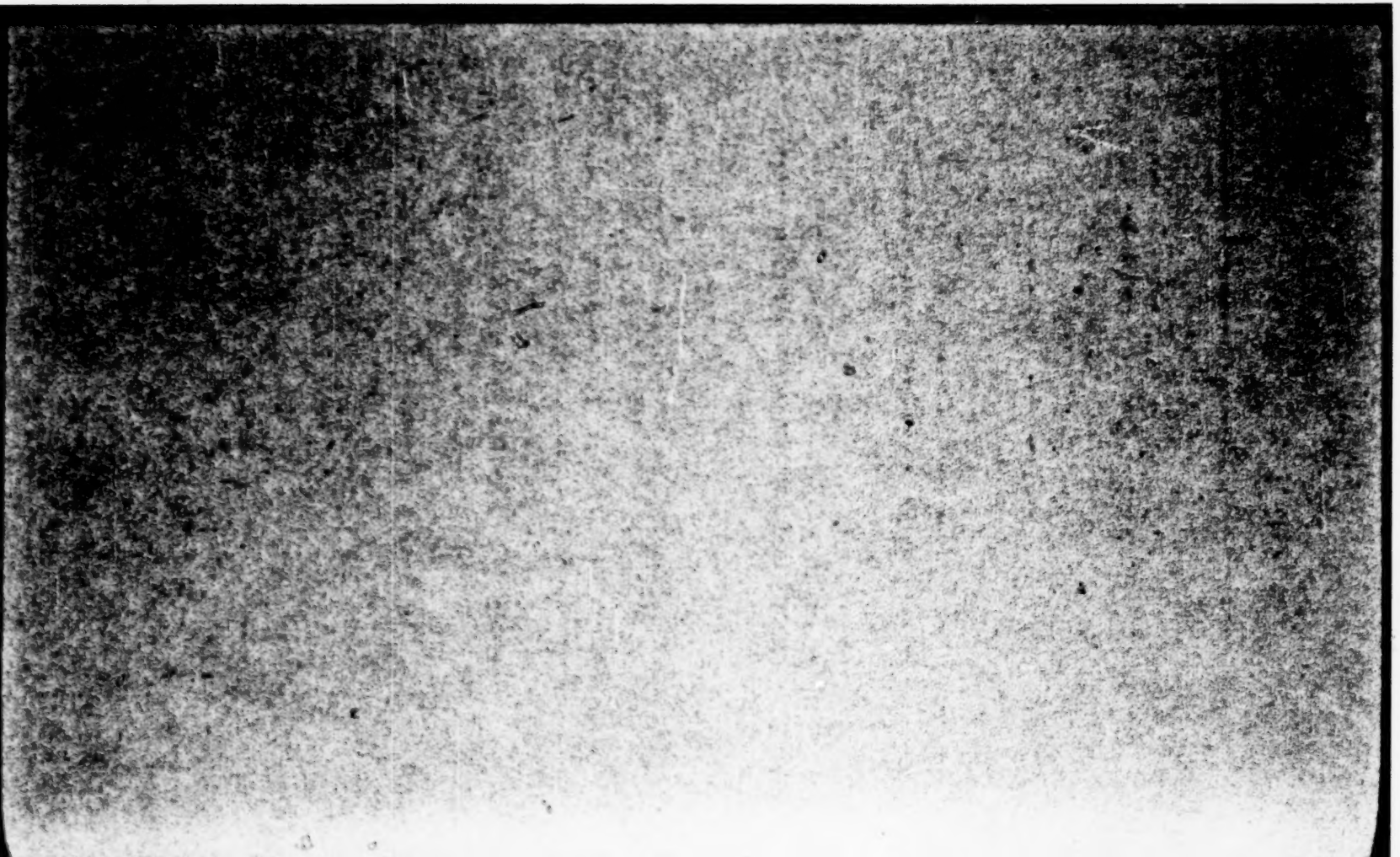
AMERICAN TRI-ERGON CORPORATION,
Respondent.

TRANSLATIONS OF DECISIONS OF GERMAN COURTS RELATING TO GERMAN PATENT NO. 368,383 CORRESPONDING TO VOGT, ET AL., UNITED STATES PATENT NO. 1,825,598.

Submitted on Behalf of Respondent.

GEORGE WHARTON PEPPER,
THEODORE S. KENYON,
of Counsel.

GALLO & ACKERMAN, Inc., 143 Liberty Street, Telephones—Rector 2-5856-7



DECISION OF THE BERLIN DISTRICT COURT.

Translations by
GRENVILLE MEIXEL
Librarian of the Applied
Science Library of
Columbia University

216 b. O. 182.33

In the name of the people!

Pronounced
on June 16, 1933
Signed, Nemitz, Justizsekretar
as Clerk of the Court.

In re

1.) The firm of Naturfilm Hubert Schonger, Berlin, S. W. 11, Anhalter Strasse 7

2.) The Aktiengesellschaft für Filmfabrication, represented by the members of its board of directors Kurt Waschneck and Alfred Günthel, Berlin-Tempelhof, Victoria Strasse, No. 13/18.

Plaintiffs.

Counsels: Justizrat Johannes Homeyer and Dr. Günther Donner, advocates of Berlin, W. 8, Mohrenstrasse 48.

versus

the Tobis Tonbildsyndikat Aktiengesellschaft, represented by its director (Vorstand) Dr. Hans Henkel, Berlin, W. 8, Mauerstrasse 43.

Defendant.

Counsels: Dr. Danziger and Dr. Nünninghoff, Berlin, W. 35, Margaretenstrasse 8, for infringement of a patent

Civil Chamber 16 b of the District Court I of Berlin (Landgericht I) on the oral hearing of June 2, 1933, under the participation of Landsgerichtsdirektor Lindhorst, Landsgerichtsrat Dr. Wichards and Gerichtsassessor Andrée judged according to the law:

The complaint is dismissed.

The plaintiffs bear the costs of the proceedings.

The decision is provisionally admitted to execution against security of 3,000 R.M.

Facts of the Case.

The defendant* is the exclusive holder of a license under D R P 368,383, granted to take effect April 15, 1921, concerning a process for producing films with picture sequences and photographed recording of sound [sound sequence] of which the patent claims are as follows:

1.) Process for producing positive films comprising picture sequences and photographically-recorded sound sequences, characterized by the fact that the negatives are developed separately.

2.) Process according to claim 1, characterized by the fact that the photographs of the series of sounds [sound sequences] and the series of pictures [picture sequences] are effected on a single film which is afterwards separated.

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*For clarity in this decision and in the following decisions we will sometimes indicate in brackets the "Defendant" as the *patent owner*, the "Plaintiff ad 1)" as the *film producer* and the "Plaintiff ad 2)" as the *film laboratory*.

3.) Process according to claim 1, characterized by the fact that the negatives, after treatment, are combined one with the other longitudinally.

The plaintiffs ad 1) produce and sell combined sound and picture films. In particular they produced in the autumn of 1932 a sound motion picture "Deutsche Sinfonie", which was produced in the first place as a silent film and later had sounds added and explicitly by the following process: For the necessary sound records a Kodak positive sound film was used. The sound records were treated by a special developing method for about 4 minutes in a special developer. Then the negatives of the picture strips which had been previously produced and developed at the time in the usual manner in a time from 2-10 minutes, were printed with the negative of the sound, on a single positive film by means of a printing machine. The printing was effected by the plaintiff ad 2) who generally develops sound and picture films, in which the sound and picture recordings are effected on separate strips of film.

The defendant obtained under the date of December 10, 1932, a provisional [temporary] injunction against the plaintiffs ad 1) [film producer] (216 ^{b} Q 93.32 of the District Court I) to this effect:

> The parties against whom the motion is made are, until a decision by the lower Court in the principal action, against a security of 25,000 R. M., forbidden to produce or cause to be produced positive films, comprising picture sequences or photographically-recorded sound sequences, in which the negatives are separately developed, and in which the negatives after treatmen[t] are combined longitudinally, more

especially by composite printing on a single positive film

or,

to place on the market, offer for sale, especially sell or let out, positive films so produced.

The provisional injunction was maintained by a decision of January 21, 1933, of the District Court I. In the Court of Appeal, the parties to the arrangement compromised to the effect that the party bringing the motion [applicants] while preserving its legal status, waived the rights under the provisional injunction.

The Defendant [patent owner] had further demanded that Plaintiffs ad 2) should cease the development and printing of films produced on a certain apparatus here in question.

[The Plaintiffs' Assertions.]

The plaintiffs assert, that the defendant wrongfully charges them of an infringement of the protection rights of D R P 368,383. The protection of this patent does not cover a process for the production of positive films with picture sequences and photographically-recorded sound sequences, the sounds and pictures of which are produced on separate strips of film and certainly not also a process for the separate development of such strips of film or the composite printing of both negatives on a single positive film. The protection of the patent restricts itself only to the cases of recording of sound and picture jointly on one and the same strip of film. Accordingly the subsequent synchronization of silent motion pictures does not come under the patent. This limitation appears both from the records of the granting of the patent [granting proceedings] and the state of the art at the time of the patent application.

When the patent in suit was applied for, four claims had been announced [notified] and under number 2) one to this effect.

"Process for producing combined sound and picture films according to claim 1 (i. e. separate developing of negative films) characterized by the fact that the sound sequences and picture sequences are recorded on separate films."

This claim had been cancelled by the Patent Office with reference to the previously known patent D R P 279,598.* The Patent Office had thereby expressed that in the case of separate recordings, not only this recording separately, but also the developing and composite printing was not to come under the patent. Thus the German Patent Office had here explicitly refused something which the defendant now claims as protected.

The state of the art, too, required these limitations. Since the beginning of the art of sound recording, it was known how to combine picture and sound subsequently. No difficulties of a technical nature had stood in the way of the subsequent combination of two negatives on one positive film.

By *D R P 279,598** the problem of the combination of sound and picture while maintaining synchronism had been solved, and had been solved by the combination of photographic picture film with a mechanically-recorded sound-film.

In the *American patent 1,260,337* of Craig the instruction had been given to undertake the recordings (picture and sound) by means of different rays, not interfering with each other, and corresponding emulsions on two coatings overlying each other, on the whole width of the picture film. For sound and picture separate negatives had been utilized, which were printed on a single positive.

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*Reimer.

In the *American patent 1,335,651* of Bullis the same rules were to be found as in D R P no. 368,383 in so far as the recording of sound and picture on separate films is concerned. Picture and sound, however, had been recorded at the same time and with the same device but on separate and different films. The exposed films had been developed and treated separately. By means of a printing strip [ribbon] running between the two films during recording, identification marks had been placed on the edges of the films, which made possible the subsequent exact running side by side or cementing together of the films. Here, as a matter of fact, no printing together of the two negatives on a common positive film occurred, but in the claims of patent 368,383 also, not a word is said about printing together. Claim 3) mentioned only a *combination* of the negatives. Moreover the idea of printing together two negatives had already frequently been applied in the so-called "photo-fitting" [Photomontage]. After all this, the invention protected by the patent in suit could be found solely in the instruction to record sound and pictures on the same strip of film, this strip of film, however, to be cut apart afterwards for the purpose of separate further treatment of the sound and picture photographs.

The plaintiffs [film producer and laboratory] assert that they suffered a great loss through the proceeding of the defendant [patent owner]. Thereby the presentation as a sound picture of the film, "Deutsche Sinfonie", which had already had a particularly great success as a silent picture, but which in consideration of the equipment of the motion picture theatres could not be shown on a larger scale as a silent film, was made impossible.

The plaintiffs move:

1) to establish, that each of the plaintiffs is entitled to commercially produce or to cause to be commercially produced, positive films, which comprise picture sequences

and photographically recorded sound sequences, and in which the sound recordings and the picture recordings have been made on separate strips of film, that positive films produced by developing the negatives separately and producing therefrom by consecutive printing a single positive film comprising sounds and pictures, may be produced or that positive films produced in this manner may be placed on the market, offered for sale, or especially sold or let:

2) only plaintiff ad 1) [film producer]—

to order the defendant to pay to plaintiff ad 1) 2,000 R.M.

3) to impose on the defendant the costs of the proceedings.

4) to declare the decision provisionally executory—possibly against security.

Auxiliarily the plaintiff ad 1) moves:

To establish, that he has the right to produce or cause to be produced commercially positive films, which comprise picture sequences and photographically recorded sound sequences, and in which the recording of the picture sequence takes place before the recording of the sound, and what is more on a separate strip of film from that on which the sound is made, that positive films produced by developing the negatives separately and producing therefrom by consecutive printing a single positive film comprising sounds and pictures, may be produced, or that positive films produced in this manner may be placed on the market, offered for sale, or especially sold or let.

The defendant [patent owner] moves:

to dismiss the claim.

He holds that the plaintiffs have infringed Patent 368,383, because individual separate treatment of the separately recorded strips of film and the subsequent combination thereof on a positive film comes under the patent. The patent in suit was concerned especially with the subsequent synchronization here under consideration. Sentence 7) of the description of the patent states explicitly: "The recording can hereby be effected either on two films or on one, which shall be separated before development."

Regarding the further presentations of the parties reference is made to the written proceedings. Copies of the granting proceedings of Patent 368,383, the patent D R P 279,598, the American patents 1,260,337 and 1,335,651, as well as the decision passed by this court, 216 [b]. O. 583.32 of District Court I, Tobis v. Macho of January 31, 1933, were submitted and were the subject of the oral hearing.

Reasons for the Decision.

The claim could not be complied with either as regards the application primarily preferred for a general declaratory judgment and the application for the judgment of payment of damages, or as regards the auxiliary application for a limited declaratory judgment.

Patent specification No. 368,383 in lines 1-7 of the description proceeds from the fact that in the production of speaking films, in which the sound is also recorded in a photographic manner, it is of great advantage, especially for the reasons of practical operation, to arrange the sound recordings and the picture sequences on one single carrier (film). It is then further explained that owing to the changing conditions of light in the cinematographic process frequent differences occur in the degree of exposure of the silver bromide coating, and moreover in such a manner that the picture sequences become either over- or under-exposed, and that these differences cannot

be adjusted in the combined negatives by developing, weakening, intensifying, etc., because the same film carries close to the picture sequence the always normally-exposed sound sequence. The inventor had, therefore, set himself the problem of creating a positive film capable of projection which after individual treatment of the picture and sound negatives, combines on itself the picture and sound sequences. This problem the inventor solved by developing the picture and sound negatives separately and after that combining both on the same positive film strip. The recording can hereby according to the statement of the applicant be done either on two films or on one, which, however, then must be separated before development. It is further stated that the production of the positive film may be accomplished by printing the two negative films preferably one after the other on the same positive film; but the negative films may also be cemented together longitudinally previously and the combined negative thus obtained printed as usual.

Accordingly the protection of the patent no. 368,383 in so far as its claim 1) is taken into consideration, covers a process for the production of positive films of the usual type, which, however, comprise picture sequences as well as the photographically-recorded sound sequences, and consists in the fact that the negatives are developed separately, but are printed after their completion on a single film strip.

The plaintiffs [film producer and laboratory] protest this view because claim no. 1) speaks only of the development of the negatives and that it accordingly can cover the negatives only. That is false. For apart from the fact that claim no. 1) specifies the *positive* film with picture sequences and sound sequences as the subject of the invention, and that furthermore according to the above-presented train of thought of the description of the invention, the *necessity* of treating the picture and sound negatives separately was considered as an *obstacle*

in the way of the combined sound and picture positive, and that the inventor teaches to still develop the negatives separately, etc., but then to print them on one and the same positive film, the perhaps not very happily couched wording of claim 1) means nothing else for the specialist except just this precept, viz.—read backward—the instruction to produce positives by printing on the same positive film, the separately recorded and finished sound and picture negatives.

The interpretation of the plaintiffs that the patent in suit with all its claims covered solely one particular negative process, is accordingly irreconcilable with the wording and meaning of the patent specifications.

Incorrect also is the view of the plaintiffs that the German Patent Office had explicitly refused to the inventor what the defendant to-day claims to be protected. It is true that the German Patent Office held that a claim to a combined sound and picture film characterized by the fact that the recording of the sound sequences and picture sequences ensued separately, was not grantable. This claim set out sub 2) had to be abandoned because it was practically identical with claim 1): in no case could the characteristic features of the recording of sound sequences and picture sequences on separate films as put forward in the former claim 2) be considered any innovation as compared with the feature of the separate development of the negatives as stated in claim 1). That the German Patent Office had, however, not intended a refusal of protection for a part of the application, follows unmistakably from the fact that the German Patent Office, after the suppression of the original claim sub 2), expressly added to the description the self-evident fact contained therein, viz., the fact that "the recording may be effected either on two films or on one film, which, however, shall be separated before development" in order to avoid any misunderstandings, that is to say, in order to establish that the protection of the patent was by no means limited to the use of a single negative to be cut into parts after recording.

Hence it follows that the contents of the files of the granting proceedings are in no way opposed to the view of the patent in suit rendered above.

Nor does the patent specification mention with a single word when the picture sequences and when the sound sequences shall be recorded. Also no limitation or waiver on the part of the inventor perhaps to the effect that only *simultaneously*-recorded picture and sound sequences were to be covered by the patent, appears from the files of the granting proceedings either. For the solution [of the problem] of the patent in suit it is indeed of no importance whether the pictures are recorded simultaneously with or prior to the production of the sound. Hence it follows at the same time that not only simultaneously-recorded picture and sound sequences are covered by the patent in suit, but also every other production of a combined picture and sound film, if after all, the teaching of the patent in suit is utilized.

As regards the state of the art, it also does not result in the limitation of the extent of the protection of the patent as desired by the plaintiffs [film producer and laboratory], as this court has already repeatedly laid down in similar law suits, the subject of which was the patent in suit, inter alia 216[b].0.583/32.

The *patent specification 279,598** disclosed no photographically-produced sound strips (film). On the contrary, a *recording disc* or *cylinder* was used for sound production. This prior publication cannot be prejudicial to the novelty [of the invention] on account of the very difference of the means used for producing sound.

In the *American patent specification 1,260,337*, a method for the production of sound films is described by the inventor Craig. Craig, however, did not use the now usual method of printing the sound sequence on the edge of the picture. He proposed, on the contrary, to print the sound

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*Reimer.

on a special gelatine coating (film) applied either over the photographic picture coating or on the back of the film and *completely covering over* the picture. There were therefore two coatings, the celluloid coating [or layer] and the gelatine coating, one over the other. On account of this difference and of the impracticable solution of allowing picture and sound recordings to overlay one another, this patent specification must be completely eliminated in evaluating the patent in suit.

In the *American patent specification 1,335,651** the inventor has likewise set himself the problem of applying the necessary individual treatment for developing the picture record and the sound record and has found the solution of recording picture and sound on separate films and inserting between them a printing strip of opaque material, but with transparent places, which covers the contiguous inner edges of both films and during recording imprints identifying marks on the edges. These identifying marks appear then at intervals along the edges of the films and make it possible to subsequently reunite the two films without difficulty at the position prepared for synchronous reproduction of pictures and sound. According to the statements of the patent specification, the two films are then developed separately and printed on *two different positive films*, which are then with the aid of the identifying marks joined together for reproduction and run in the projecting apparatus *side by side* as two films. It is therefore manifest that no importance prejudicial to novelty can be attached to this prior publication either. It is true, the prior publication already contains the idea of the separate development of the films for their best possible production and describes a means of placing the films during reproduction in the correct position to one another to achieve complete synchronization. But it does not attain the achievements of the patent in suit, since the latter

*Bullis.

has for its subject not only the separate treatment of the negatives, but beyond that the uniting of the negatives on a single positive film of the normal kind, attaining this end according to the description of the patent in suit by consecutive or simultaneous printing, after cementing together of the negative films, on a single positive film.

The view of the defendant [plaintiffs?] that in consideration of the prior publications it had been a matter of course to print the two negatives side by side on a common positive film is erroneous. For, if that were true, it would be impossible to understand why the art in order to achieve this end should have chosen as complicated methods as those shown in the prior publications. It is just this state of the art referred to by the defendant which shows that the idea of the patent in suit, which now seems so self-evident, was far-removed and has to be estimated as an invention.

It is hereby established that the applicant for the patent in suit was the first to propose to record picture and sound either together or separately and to develop them separately in a manner so adapted as to avoid under- and over-exposures such as will occur, but then to print them on a single normal film, it being of no importance whether picture and sound are produced simultaneously or the latter after the former. Accordingly, the protective limits of the protection claim 1) extend to such a process for the production of positive films and at the same time to the positive films so produced.

The plaintiffs have not disputed the fact that the production of the "Deutsche Sinfonie" now provided with an accompaniment of sounds proceeded from separate picture and sound records. While the picture records were treated for some 2-10 minutes in an ordinary developer, the sound material was developed during a special development period of 4 minutes with the help of a special developing method for sound records by means of a special

developer. The negatives were then combined side by side in a single positive film on a normal film strip.

This Chamber accordingly finds it proved that the plaintiffs [film producer and laboratory] by the subsequent synchronization of the sound film "Deutsche Sinfonie", have legally infringed the patent in suit. Accordingly, the provisional injunction obtained by the defendant [patent owner] against the plaintiff ad 1), the purpose of which was indisputably to prevent further infringement of the patent through the production of the film "Deutsche Sinfonie", was rightful. Also the warnings pronounced against the plaintiff ad 2) were rightful.

Hence follows the dismissal of the claim.

The secondary decisions are based on Art. 91, 710 ZPO.

Signed. LINDHORST WICHARDS ANDRÉE

Prepared.
Signed. TOBIEN Justizsekretär
as Clerk of the District Court I.

Seal of the Prussian District Court I Berlin.

The foregoing signature of Justizsekretar Tobien as Clerk of the Court of the District Court, Berlin, is herewith certified.

The Clerk is entitled to certify the copy.

Berlin, December 28, 1934.

The president of the District Court
represented by
Gardiewski.

(Seal of
The President of the District Court,
Berlin.)

American Consular Service.

German Reich,
Province of Brandenburg,
Consulate General of the United States of America
at Berlin. } ss.:

I, Prescott Childs, Consul of the United States of America at Berlin, German Reich, duly commissioned and qualified, do hereby certify that

Gardiewski

whose true signature and official seal are, respectively, subscribed and affixed to the foregoing instrument, was at the time of subscribing same an official of the Prussian

Landgericht at Berlin of the .....

German Reich, duly commissioned and by law authorized to execute such acts, and that his signature and official seal affixed thereto are genuine, and as such are entitled to full faith and credit.

IN WITNESS WHEREOF I have hereunto set my hand and the seal of the Consulate General at Berlin, German Reich, this 28th day of December 1934.

PRESCOTT CHILDS
Consul of the United States of America.

SEAL

AMERICAN CONSULATE GENERAL
AMERICAN
Foreign Service
$2.00
Dec. 28 1934
FEE STAMP
BERLIN, GERMANY

For the contents of the annexed document the Consulate General assumes no responsibility.

DECISION OF THE KAMMERGERICHT.

The following reference number should be used in all communications.

Reference number:

10 U. 4774.33
16 b. o. 182.33

Pronounced on February 10, 1934.
sgd. Konetzkow, Court employee,
as Clerk of the Court.

In the name of the German people!

In re

1) The firm of Naturfilm Robert Schonger, of Berlin, SW. 11, Anhalterstrasse 7,

2) The Aktiengesellschaft für Film Fabrikation, of Berlin-Tempelhof, Victoriastrasse 13-18, by its directors Kurt Waschneck and Alfred Günthel, of the same place,

Plaintiffs and Appellants,

Counsel: Dr. von Boehmer, advocate of Berlin, SW. 19, Krausenstrasse 38-39,

1) the "Tobis" Tonbild-syndikat Aktiengesellschaft of Berlin, W. 8, Mauerstrasse 43, represented by its director, Dr. Hans Henkel, of the same place

Defendants and Appellees

Counsels: Dr. H. Isay, Dr. R. Isay, and Dr. E. Reimer, advocates, of Berlin, W. 62, Maienstrasse 2,

2) the Klangfilm G. m. b. H., of Berlin SW. 11, Askanischer Platz 4, represented by its managers, Dr. Rottgardt and Schwab, of the same place,

Co-interveners and Appellees,

Counsel: Dr. Sarre, advocate of Berlin-Wilmersdorf, Nikolsburger Platz 2,

the 10th Civil Senate of the Kammersgericht of Berlin, Senatspresident Natorp and Kammergerichtsräte Kusch and Dr. Schumann presiding, upon the oral hearing of January 27, 1934, decided:

The plaintiffs' [film producer's and laboratory's] appeal against the decision of the 16 b Civil Chamber of the District Court I of Berlin is dismissed.

The Appellants must bear the costs of the appeal, including the costs incurred by the co-intervention.

The decision is provisionally executory; however, the plaintiffs shall be released from averting the execution on account of the costs by furnishing security of 4,000 Reichsmark, provided that the defendant or the co-intervenor shall not on their part furnish security to the specified amount before the execution. The security of either party or the co-intervenor may be effected through the surety of that amount to their account at a large German bank.

Facts of the Case.

The defendant is in the possession of the exclusive license under German patent 368,383, granted effective as of April 15, 1931, concerning a process for producing films with picture sequences and photographed sound sequences. With respect to this patent reference is made to the contents presented [in court] and the official records of the German Patent Office concerning the granting of this patent.

The plaintiff ad 1) is engaged in the production and sale of combined sound picture films, whereas the plaintiff ad 2) develops and prints sound picture films. The plaintiff ad 1) brought out in the autumn of 1932 a sound and picture film "Deutsche Sinfonie", which had been brought

out in the first place as a silent film and had been shown at the "Capitol" and had then been converted into a sound film by subsequent synchronization. The defendant under 216 b. Q. 93.32 of the District Court I of Berlin obtained a provisional [interim] injunction against the plaintiff ad 1) as of December 10, 1932, by which the plaintiff ad 1) is forbidden until a decision on the principal action by the lower court to produce or cause to be produced positive films, comprising picture sequences and photographically-recorded sound sequences in which the negatives are developed separately and the negatives, after treatment, are combined one with the other longitudinaliy, in particular by printing together on a single positive film, the possibility of execution of the provisional injunction being made dependent meanwhile on the previous provision of a security of 25,000 Reichsmark. Upon a protest by the plaintiff ad 1) [film producer], this provisional [interim] injunction was maintained by a decision pronounced January 21, 1933, by the 16 b Civil Chamber of the District Court I, of Berlin. After the defendant [patent owner], in the court of appeals, waived his rights as against the plaintiff ad 1) under the interim injunction, the said interim injunction as against the plaintiff ad 1) was reversed by the decision of the senate pronounced on May 17, 1933. With respect to these proceedings concerning the remission of a temporary injunction reference is made to the contents of the files 216 b. Q. 93.32 of the Ditsriet Court, Berlin, the subject of which is the oral hearing.

The plaintiff ad 2) [film laboratory], the largest German printing establishment, is engaged in the separate development of sound and picture films, which were recorded separately, and in the composite printing of such negatives on a single positive film containing sound and picture. The developing and printing work is carried on by the plaintiff ad 2) not only for the Universum-Film-Aktiengesellschaft, but also for the plaintiff ad 1) and other companies, and also from films produced by apparatus other than "Klang-film". In

his letter of December 20, 1932, the defendant, referring to the "license agreement concluded" between them, called the attention of the plaintiff ad 2) to the fact that the sound picture film recording apparatus of the firms of Mecho Mechanisch-Optische Werkstätten, G. m. b. H. Berlin, Friess Aktiengesellschaft Berlin, and Arnold and Richter, Munich, may not be considered as admissible apparatus within the meaning of this license agreement, and request the plaintiff ad 2) not to perform developing or printing work with the afore-mentioned apparatus.

The plaintiffs have brought suit against the defendant [with the plea] requesting the court:

> to establish that each of the plaintiffs is entitled to commercially produce or cause to be commercially produced, positive films which comprise picture sequences and photographically-recorded sound sequences and in which the sound recording and picture recording have been made on separate strips of film, by developing the negatives separately and producing from them by consecutive printing a single positive film containing sound and picture, or that positive films so produced may be placed on the market, offered for sale, or especially sold or let.

The plaintiff ad 1) has requested the court in addition to order the defendant to pay him a sum of 20,000 Reichsmark.

and auxiliarily

> to establish that he has the right to commercially produce or to cause to be commercially produced, positive films which contain picture sequences and photographically-recorded sound sequences, and in which the recording of the pictures takes place before the recording of the sound and what is more on a separate strip of

film from that on which the sound is recorded, by developing the negatives separately and producing from them, by consecutive printing, a single positive film comprising sound and picture, or that positive films produced in this manner may be placed on the market, offered for sale, or especially sold or let out.

In substantiation of this plea, they claimed that the defendants charged them wrongfully with an infringement of Patent 368,383, since the protection of the patent is limited to cases of the *joint* recording of sound and picture on one and the same strip of film, and thus particularly does not include the subsequent synchronization of silent films. They claimed, furthermore, that they suffered great losses through the action of the defendant. The plaintiff ad 1) has estimated the loss entailed by the action of the defendant through the prohibition to exploit commercially the sound film "Deutsche Sinfonie", as a multiple of the partial amount of 20,000 Reichsmark claimed by him.

The defendant has petitioned a dismissal of the suit. He holds the opinion that the plaintiffs had infringed Patent 368,383, because any entirely separate treatment of the separately-recorded film strips and subsequent combination of them on a positive film is covered by the patent, therefore in particular the subsequent synchronization effected by the plaintiffs is protected by the patent.

By the decision of June 16, 1933, the 16 b Civil Chamber of the District Court I of Berlin, decided:

The complaint is dismissed.

The Plaintiffs bear the costs of the proceedings.

Reference is made to the contents of this decision presented [in Court] and to the allegations and arguments of the parties and documents referred to therein.

Against the decision served on them, through their Counsel on July 4, 1933, by the lower Court, the Plaintiffs by their written pleadings dated June 16, 1933, and received

by the Court of Appeals on June 17, 1933, lodged an appeal and substantiated their appeal in these same written pleadings. The Plaintiffs have furnished proof that the court fees required for the proceedings before the Court of Appeals have been paid by them within the time specified by the presiding judge.

The Plaintiffs requested [the Court]:

by amendment of the disputed decision,

1) to establish, that each of the Plaintiffs is entitled to commercially produce or cause to be commercially produced, positive films containing picture sequences and photographically-recorded sound sequences, of which the sound recording and the picture recording are effected on separate strips of film, by developing the negatives separately and producing from these negatives, which remain separated, by simultaneous printing, or by, as regards either space or time, consecutive printing on a single positive film containing sound and picture, or to commercially place on the market, offer for sale, or especially sell or let out, positive films so produced;

the Plaintiff ad 1) only in place of request ad 1) auxiliarily: to establish, that the Plaintiff ad 1) is entitled to commercially produce or to cause to be commercially produced positive films which contain picture sequences and photographically-recorded sound sequences and in which the picture recording is separated as regards time from the sound recording and is effected, moreover, on a different strip of film from that on which the sound recording is later effected, by developing the negatives separately and producing from these negatives, which remain separated, by simultaneous printing or by, as regards either space or time, consecutive printing on a single positive film containing sound and picture, or to commercially place on the market, offer for sale, or especially sell or let out positive films so produced,

2) to order the Defendant to pay 20,000 Reichsmark to the Plaintiff ad 1),

furthermore both Plaintiffs:

3) to impose the costs of the proceedings on the Defendant,

4) to declare the decision provisionally executory—possibly against security,

5) to reserve to the Plaintiff the right of deposit.

In support of their appeal, the Plaintiffs have repeated their arguments presented in the lower Court, and, in addition, presented the contents of their written pleadings of October 7, 11, 12, 14, 16 and 25, November 2 and 14, 1933, and January 19, 23, 25 and 26, 1934, and the exhibits attached to the said written pleadings and referred to therein, to which reference is made.

The Defendant requested [the Court],

to dismiss the appeal, with costs, and to declare the decision provisionally executory, in case of the decision against them, to remit the execution against furnishing of a security (bank surety).

He has offered to furnish security (bank surety) in accordance with Article 713, II 2 PO.

The Defendant has likewise repeated his arguments presented in the lower Court and in addition presented the contents of the written pleadings of October 4, 17, 20, November 7, 1933, and January 19, 23 and 27, 1934, and the exhibits attached to the said written pleadings and referred to therein, to which reference is made.

The Klangfilm G. m. b. H. of Berlin SW. 11, joined the Defendant as co-intervenor. It supported his applications and arguments in full and in addition presented the contents of its written pleadings of January 26, 1934, and the exhibit attached thereto, to which reference is made.

In support of its legal interest in the success of the Defendant, it stated that it was in possession of a license on Patent 368,383.

The Plaintiffs have not objected to the admission of the co-intervener.

The files of the law suit Electrical Research v. Tobis—33. O. 109/29 of the District Court I of Berlin were presented and made the subject of an oral hearing.

The parties and the co-intervener argued the case. The Defendant requested to be allowed a fixed time, if need be, for submitting an answer to the Plaintiffs' written pleading of January 26, 1934, first made available to them at the hearing of January 27, 1934.

Reasons for the Decision.

The Plaintiffs appeal, filed in due time and form and duly substantiated, could not be successful. For the decision contested in this appeal was approved in its final result and essentially also in its argument [motivation].

No objections can be made to the admission of the co-intervener, as none of the parties protested the admission of the co-intervener and requested its rejection.

The District Court rightfully dismissed the claim as completely unfounded. The claim of both Plaintiffs endeavors to establish that they do not infringe Patent 368,383 by specific acts [operations], the Plaintiff ad 1) also claims damages. The assumptions of the statement of complaint within the meaning of the instructions of Article 256 ZPO may be accepted as given, without hesitation. This the Defendant has not denied as regards the Plaintiff ad 1). But the Plaintiff ad 2) has a special legal interest also in the statement in respect to the letter addressed to him by the Defendant as of December 20, 1932. The Plaintiff bases his claim for damages on the fact that the Defendant, under Patent 368,383, by obtaining the provisional injunc-

tion, made impossible the exploitation of the sound film "Deutsche Sinfonie" and thereby caused a loss exceeding 20,000 Reichsmark. The judgment of the claims depended, therefore, first of all upon the decision on the questions of the extent of protection of Patent 368,383 and whether the acts described by the Plaintiffs and designated by the Defendant as infringement of the Patent 368,383, infringe upon the protection of the patent.

The Patent 368,383, granted effective as of April 15, 1921, and on which the Defendant has unquestionably an exclusive license, concerns, according to the superscription of the patent specification, a process for producing films with picture sequences and photographed sound sequences. In the description of the patent specification, the process is described as follows:

> In the production of speaking films in which the sound is also recorded in a photographic manner, it is of great advantage, especially for reasons of practical operation, to arrange the sound recordings and the picture sequences on a single carrier of uniform material (film). It is then further explained that due to the changing conditions of light in the cinematographic process, frequent differences occur in the degree of exposure of the silver bromide coating, and, moreover, in such a manner that the picture sequences are either over- or under-exposed. But as the same film carries close to the picture sequences the always normally-exposed sound sequence, it is not possible in the case of combined negatives to adjust these differences by developing, weakening, intensifying, etc. They can be corrected only by a separate and individual treatment to the over- or under-exposed negatives. Technically this is as good as impossible as long as the two sequences are on the same film.
>
> In consequence of the invention, this difficulty is eliminated by effecting the development of the nega-

tives separately. The recording may be done either on two films or on one, which, however, shall be divided before the developing. The synchronization is secured in both cases by the perforations and corresponding marks.

The production of the positive film may be accomplished by printing the two negative films, preferably one after the other, on the same positive film. The two negative films may also be cemented longitudinally previously and the combined negative thus obtained printed as usual.

At the conclusion of the patent specification, the inventive idea of the Patent 368,383 is summed up in three patent claims:

1) Process for producing positive films which contain picture sequences and photographically-recorded sound sequences, characterized by the fact that the negatives are developed separately.

2) Process according to claim 1) characterized by the fact that the sound sequences and picture sequences are effected on a single film, which is afterwards separated.

3) Process according to claim 1) characterized by the fact that the negatives, after treatment, are combined one with the other longitudinally.

On the basis of claim 1) of this patent, the Defendant claims protection, as against the Plaintiffs, for the process of producing a positive film, constituting a unit, comprising in the usual way picture sequences and photographically-recorded sound sequences side by side, in such a way that the negatives recorded either on two films or on a single film are developed separately and after that printed on the same positive film.

In opposition thereto, the Plaintiffs assert that the protection of the patent, taking into consideration the interests of the patent specification, the course of the granting proceedings and the state of the art at the time of the application for the patent, should be limited to the process of recording sound and picture as a unit and the separation of the recording films before the developing and the separate developing of the two film strips. The District Court rightfully judged the Defendant's interpretation of the patent as correct.

Contrary to the assertions of the Plaintiffs, the aforementioned contents of Patent 368,383 are not opposed to this interpretation. When the Plaintiffs take from the patent specification as the problem of the invention, the combination of the advantage of the recording of sound and picture on a recording film constituting a unit and the advantage of individual treatment of sound and picture despite the recording as a unit, and, as solution of this problem, solely the proposition of separating the negative, produced as a unit, before developing, and subsequently developing the negatives separately, they (the Plaintiffs) do not do justice to the contents of patent specification 368,383.

In so doing, they leave completely out of consideration [the fact] that in the principal claim the subject of the invention is expressly designated as a "Method for the production of positive films, comprising picture sequences and photographically-recorded sound sequences," and that also, according to the sentence contained in lines 26, et seq., of the description, the recording of sound and picture as a unit on a single film does not constitute an essential feature of the invention; that the recording, on the contrary, "may be done either on two films or on one, which, however, shall be separated before developing." They also further overlook the fact that, as was correctly pointed out by the District Court in their interpretation of the patent, the principal claim is completely conformable with

the patent claim 2) because exactly the process of recording sound and picture on a negative that is afterwards separated, forms literally the subject of patent claim 2). The Plaintiffs' attempt also, in their limited interpretation of the Patent 368,383, to refute the correctness of this view of the complete conformity of the two patent claims 1) and 2), is in vain. For their appeal on the fact that a separate developing can be effected in spite of recording as a unit and without previous separation of the recording films, for example, by varnishing the sound strips while the pictures are being developed in accordance with the method described in the German patent specification 577,614, or by not immersing the sound strips in the developing liquid and thus keeping them undeveloped, they leave out of account that the first-named proposition concerns a process disclosed originally a considerable time after the filing of the application for Patent 368,383, and that the second proposition involves difficulties so considerable that it cannot be considered as practicable [practically useful]. Moreover, it cannot be brought into agreement with the statements in the description of patent specification 368,383, which in lines 21 seq. expressly emphasizes that as long as the two sequences are on the same film, the separate developing is "technically" . . . "as good as impossible". Thus it is clearly stated in patent specification 368,383 that a separate development, despite recording as a unit, likewise without preliminary separation of the recording film, is completely eliminated as regards the process following Patent 368,383. Therefore the attempt of the plaintiffs to prove the correctness of their limiting interpretation of the patent, based on the patent specification 368,383 alone, must fail on account of the contents of the patent specification.

On the contrary, an unbiased perusal of patent specification 368,383 with an appreciation of the entire contents, will show that the task which the inventor of the patent had set himself was the production of a positive film, as

a unit, which contains in the usual manner on the same carrier (film), one beside the other, picture sequences and sound sequences, wherein the sound is photographically-recorded. As to the solution of this problem, it is stated in the patent specification that the positive film, constituting a unit, is achieved by preparing on the one hand a picture negative and on the other hand a sound negative by separate development, and that the separate negatives are printed on a common positive film in such a way that the sound sequences and picture sequences lie side by side on the positive film. If the Plaintiffs miss a statement in the patent specification that picture and sound must be printed from two separate negatives side by side on the same side of a picture-sound print, constituting a unit, it is to be acknowledged that they are right in that the term "side by side" is not used in the patent specification. Nevertheless, the statements in the patent specification leave no doubt in the matter that the inventor, in the process described by them, aimed at the production of a positive film, which contained in the usual manner picture sequences and photographically-recorded sound sequences, side by side, on the same carrier (film). This is shown unmistakably from the first sentence of the description, of which the Plaintiffs themselves have reported, that it refers to the recording film as well as the positive film, for, if it is stated here that the sound sequence and the picture sequence are recorded on a single carrier (film) of uniform material, this can only mean as regards the recording film that the sound sequence and the picture sequence are recorded side by side on the negative film, which is, moreover, expressly confirmed for the recording film in the third sentence of the description. It follows from this forthwith that in this connection, also as regards the positive film, no other arrangement of sound and picture but that in which they are printed side by side can be considered. This appears with particular clearness from the last paragraph of the description. For it is there definitely stated

that the printing of the two negative films on the same positive film is carried out "preferably one after the other" [consecutively]. It is to be taken from that, that the printing itself, although perhaps less preferably, may be effected simultaneously, which, however, presumes a printing of picture and sound side by side on the same face of a positive film. In the proposal of the last sentence of the description, which forms the subject of patent claim 3), the printing side by side of picture and sound on the same side of the positive film, does not come into dispute, as the Plaintiffs themselves do not deny. Furthermore, the Plaintiffs wrongfully complain that the patent specification 368,383, with the exception of the suggestion for combining the negatives after treatment one with the other longitudinally, contained in patent claim 3), which is not of interest for the present lawsuit, contains no instructions as to the method of printing, and draw therefrom the conclusion that the inventor of the patent had looked upon the printing of two negatives, one representing the picture and the other the sound, on a common positive film, as a known method. As against this, it is pointed out that in the sentence last but one of the description it is explicitly proposed to print the two negative films one after the other on the same positive film. Apart from this, however, the Plaintiffs overlook the fact that the inventor of the Patent 368,383 attached particular importance to the direction to print the negatives, of the picture sequences and the photographically-recorded sound [sequences], produced by separate individual developing, side by side on a single positive film. It is finally also rightfully pointed out by the District Court that patent specification 368,383 does not mention with a single word when the picture and when the sound strips (films) should be recorded and that for this reason a limitation of the patent specification to the effect that a simultaneous recording of picture and sound strips (films) is an essential requirement of the inventor, cannot be inferred. In so far as patent claim no. 1) of

Patent 368,383 comes into consideration, the three instructions may be taken from the patent specification as solutions of the problem characterized above:

1) With simultaneous recording of sound and picture on a common negative, the negatives of the picture sequence and the sound sequence should be separated one from the other, both parts being given separate individual development, and after that printed side by side on a common positive film.

2) With separate recording of the picture sequence on one negative and the sound sequence on another negative, the two negatives, in so far as they are not yet developed, should be given separate individual development and after that, printed side by side on a common positive film.

3) If a completely developed negative of the picture sequence already exists, and a negative of the sound sequence is recorded supplementally, then the negative of the sound sequence should be developed by itself and after that the negative of the picture sequence and the negative of the sound sequence printed side by side on a common positive film.

When the Plaintiffs plead, over against this, that the patent specification merely mentions difficulties, the overcoming of which was the purpose of the first-mentioned instruction, it must also be pointed out that according to the sentence, lines 26 seq. of the patent specification, the recording of picture sequence and of sound sequence may also be effected on two films.

The District Court was right also in not inferring from the granting proceedings of Patent 368,383 the necessity of the limiting interpretation of the patent desired by the Plaintiffs, because no explicit limitations or unequivocal waivers can be established in the granting proceedings.

The originally-presented application contained in addition to the three claims adopted with trifling amendments in the patent specification 368,383, the following further claim as patent claim 2):

> Process for producing combined sound and picture films according to claim 1), characterized by the fact that the recording of the sound sequences and the picture sequences is effected on separate films,

while the following sentence stood in place of the first two sentences of paragraph 2 of the patent specification:

> According to the invention, this difficulty is eliminated by providing for the production of the negatives either on completely separate films, or, on films which although united during the recording are separated one from the other before developing.

In his decree [order] of May 27, 1923, the [preliminary] first examiner informed the applicants: "It is in itself known, that sound sequences and picture sequences can be recorded separately and both sequences combined for the first time later, compare P. S. 279,598,* K142g. Claim 2) appears therefore not grantable. Publication is contemplated if the applicants are agreeable to the enclosed documents, which are returnable." By the amendments of the documents thus proposed by the first examiner, the application was given the wording adopted in the patent specification. To these amendments the applicants agreed in their presentation of June 15, 1921, whereupon there ensued without further changes the publication of the application and the granting of Patent 368,383. This course of the granting proceedings, as opposed to the assertion of the Plaintiffs, is not to be considered as an explicit limitation

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to a protection covering only the solution mentioned above ad 1) or as an explicit waiver of the protection of the solutions characterized above ad 2) and 3), which according to regular jurisdiction must be considered alone in the interpretation of a patent. The alleged contradiction in the attitude of the first examiner, which the Plaintiffs find in the fact that the first examiner, notwithstanding the cancellation of the original patent claim 2), gave to sentence 2) of the second paragraph of the description of the patent specification the wording adopted in it (i. e. patent claim 2) according to which the recording may also take place on two films, finds its explanation when it is considered that patent specification 279,598, referred to by the first examiner, does not disclose a sound strip (film) produced by way of photography, but contains solely the proposal to use a disc or cylinder for the production of sound, and that, as was rightfully pointed out by District Court I, the original second patent claim was practically identical with patent claim 1) and contained no new features whatever as compared with claim 1). For under these circumstances, if the original claim 2) was maintained, there was always the danger that it might give rise to an interpretation opposed to the real state of the art. Thus there is nothing in the course of the granting proceedings on which the Plaintiffs might successfully rely for their interpretation of Patent 368,383.

Nor has the discussion of the state of the art at the time of the filing of the application for Patent 368,383 produced the result desired by the Plaintiffs. For in evaluating the state of the art, according to the principles laid down by the Reichsgericht [Supreme Court] in its decision of January 3, 1934—I. 140./33—the limitations of the extent of the protection, which the Plaintiffs deem necessary, cannot be recognized as justified.

From the printed documents already considered by the District Court in respect to the state of the art at the time

of the filing of the application for Patent 368,383, viz., the German patent specification 279,598* and the American patent specification 1,260,337 of Craig and 1,335,651 of Bullis, the District Court has rightfully eliminated the German patent specification 279,598, which, as mentioned above, had already been considered in the granting proceedings. This patent specification concerns a process for the production of a film, consisting of a picture strip (ribbon) and a sound strip, each strip to be produced separately as a separate strip and both ribbons to be then combined one with the other. According to it, the sound strip is obtained mechanically by forming [moulding] it from a record disc or cylinder and combining it with the picture strip in a manner not fully described in the patent specification. This prior publication, as the District Court correctly stated, is not prejudicial to the novelty, because the process described in it does not concern a photographically-recorded sound sequence. The Plaintiffs have not attempted to refute the correctness of this evaluation of the German patent specification 279,598. All the more emphatically have they protested against the judgment of the District Court on the two American patents. In addition, they have quoted as further printed documents on the state of the art at the time of the application for Patent 368,383, the American patent specification 1,254,684 (Greensfelder) and 1,286,383 (Messter), the abridgment of the British patent specification 157,751, the British patent specifications 6727/1913 (Downing) and 123,842 (Flower), the French patent specifications 448,757 and 459,537, as well as the publication in the periodical "Die Kinotechnik", Verlag, Richard Falk, Berlin, W. 66, Liepziger Strasse 115/116, year 2, no. 2, page 60 (February, 1920) and the German patent specification 317,269 reviewed there, and further point out that at all times in the development of picture films, the individual scenes had been treated individually

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according to the degree of exposure, and that it had already been known at the time of the filing of the application for the Patent 368,383, in the case of picture films, and more especially in the case of trick films, how to produce the positive in such a way that the two negatives were printed on a positive film while one part or the other of the positive film was covered. As regards the contention of the Plaintiffs as to the obvious prior use of the developing and printing processes described by him, the Defendant does not deny its correctness. But in respect to these known processes, the Defendant has rightfully pointed out that they solely concern the developing and printing of picture films, whereas the Patent 368,383 deals exclusively with sound-picture films, comprising picture sequences and photographically-recorded sound sequences side by side on a single positive film.

Such sound-picture films, likewise, are not dealt with in the American patent specifications 1,254,684 and 1,286,383, the British patent specifications 6727/1913 and 123,842, nor in the publication in "Kinotechnik" and German patent specification 317,269, although all these printed documents in contrast with the German patent specification dealt with above, concern purely photographic processes.

In the American patent specification 1,254,684 of Greensfelder, a process is described in which two separately recorded negatives are printed together on a common positive film. But according to this patent specification, individual "sound marks" are produced instead of sound sequences accompanying the pictures, which "sound marks" are arranged between the pictures on the so-called "slide line" [Schieberstrich]. The sound marks just as the sound sequences serve to produce or check electric currents at the illumination of the positive. They differ from these, however, in that they are not used as the sound sequences are for the direct production of sound waves, but for electric relays for the mechanical operation of music or sound instruments. The possibility of a continu-

ous accompaniment of the picture films by speech or sound is not provided for and is not obtainable for the reason that the sound marks are not arranged beside the picture sequences, but between the individual pictures. As for the rest, the Plaintiffs have rightfully pointed out that in this patent specification on page 3, line 122, to page 4, line 8, it is specified:

> The "sound marks" corresponding to the sounds and expressions produced, are recorded on the film of the camera 28, it being understood that this camera is operated at precisely the same speed as that at which the picture projection machine was operated. A developed negative containing the rows of "sound marks", but on which the spaces for pictures are blank, is now, fitting accurately, superimposed on a developed negative which contains photographed pictures, but having free space for the sound marks, and a print is made from this combined negative, which gives a positive containing the pictures 4 and the corresponding rows of sound marks 3, as shown in figure 3.

Picture sequences and sound sequences arranged side by side are accordingly not achieved by the process disclosed in the American patent specification 1,254,684.

In the American patent specification 1,286,383 of Messter, a process for printing together two picture negatives is described as follows on page 1, lines 73-83:

> A film is made for each cinematograph and is passed across in a horizontal direction. The pictures recorded on it take up half the width of the film, as shown in figs. 2 and 3. Two series of pictures, A and B, will thus be obtained, which are then so printed by a well-known process, that a film having two adjacent series of pictures, A and B, results, as shown in fig. 4.

Accordingly in this patent specification, the production of a picture film pure and simple is described.

In the British patent specification 6727/1913 of Downing a process is described for printing together on a positive film constituting a unit, two negatives, one of which contains picture sequences and the other writing. The patent claim is correctly described by the Plaintiffs as follows:

> Improvements in cinematographic apparatus and recording, consisting in this, that two films or the like, on which pictures or fitting explanatory or other words are recorded, one single film being produced containing the said pictures and words in proper order, so that when the pictures are projected on a screen by the usual lantern, the words appropriate to the pictures are simultaneously projected on the screen, as described.

Also in the British patent specification 123,842 of Flower, the composite printing of a negative containing writing with a picture negative is described. Accordingly these two patent specifications do not concern with the production of a sound-picture film.

The same applies also to the German patent specification 317,269 of Bolten-Baeckers and to the review thereof in the number of "Kinotechnik". The patent specification concerns a process and a mechanism [device] for achieving the simultaneity of a cinematographic presentation and the musical accompaniment thereof. The invention of the Patent 317,299 is described in the "Kinotechnik", as follows (with an illustration):

> It is accomplished simultaneously by means of two positively-coupled recording apparatuses, one of which (I) is directed toward the scene, the other (II) toward the orchestra. In the picture-recording aperture of apparatus I, an insert is introduced that covers field

d and in that of apparatus II, an insert which leaves only this field uncovered. The size of this field is so adjusted that on the film of II only the conductor standing near c appears. Instead of the inserts, a black disc of suitable size and shape may be fitted before the scene near d and a corresponding partition in front of the orchestra, with a small opening allowing only the conductor to be visible. The negatives are combined according to one of the known methods through printing on a common positive. The invention may also be used for the combination of such cinematograms, the individual parts of which, for some reason, cannot be recorded by a single apparatus.

There is no mention of a photographically-recorded sound sequence either in the German patent specification 317,299 or in the review thereof in the "Kinotechnik".

The other printed documents cited by the Plaintiffs with respect to the state of the art at the time of the filing of the application for the Patent 368,383, on the contrary, concern sound-picture films with photographically-recorded sound sequences. Among these printed documents, the two French patent specifications 448,757 and 459,537 disclose the process from which Patent 368,383 proceeds in the introduction of its description. For according to these French patent specifications, the positive film constituting a unit which contains side by side the picture sequence and the photographically-recorded sound sequence, is produced in such a way that the picture sequences and sound sequences are already combined with each other during recording on a common negative film and are printed from this negative film, after development of the same, on the single positive film.

In divergence from these French patent specifications, the American patent specification 1,335,651 of Bullis describes the separate recording and treatment of two negatives, one of which contains the picture sequence and the

other the photographically-recorded sound sequence, and explicitly points out the advantages of this method. In this American patent it is stated on page 1, lines 99 seq.:

> In carrying the present invention, picture and sound recordings are effected simultaneously and with the same apparatus, but on separate and distinct films. It has been previously proposed to work on the same film, but the objection to this is that the manipulation and development, by which one obtains the best sound reproduction, differs widely from that which gives the best picture reproduction. If both recordings are effected on the same film with the same emulsion, it is clear that a proper manipulation and development of one record can be obtained only at the expense of the other, since both records require special types of development, which are generally quite different one from the other. Hence there are very important practical reasons why the two records cannot be successfully and satisfactorily recorded on the same film, as previously proposed. The object of the present invention is to overcome this difficulty through a construction which permits the recording of both records on different films with different emulsions and individual treatment in the development in order to achieve the best results. The two independent negatives receive during the production process corresponding marks by means of which they can be easily combined in the manner necessary for a synchronous reproduction of picture and sound.

From the two negatives so obtained, two positives are made, according to the American patent specification of Bullis, which are projected synchronously and are arranged, during the projection, on the conveyor drum of the projector with an edge of each lying over the other, so that the perforation holes of one side overlap. Accord-

ing to the proposition of this patent specification, their combination may also be effected by conglutination, for it is stated on page 4, lines 60 seq.:

> The overlapping edges may be cemented together, so that in effect a single film results.

Accordingly this American patent specification of Bullis provides, as the Defendant has correctly argued, recording on two separate negatives and separate development thereof. It does not, however, print these negatives on a common positive film, but produces two independent positives, which at best are combined one with the other mechanically in such a way that they are arranged side by side, overlapping each other in the longitudinal direction. Thus the idea of the composite printing of separate sound and picture negatives on the same positive film is not mentioned in this American specification.

This idea is materialized in the American patent specification 1,260,337 of Craig in the process described in this patent specification. In fig. 3 of this patent specification and in its description, it is shown that sound and picture are recorded simultaneously on individual negatives (page 2, lines 43-45; page 3, line 128, to page 4, line 6; page 4, line 113, to page 5, line 35; and page 7, lines 85 to 97, of the American patent specification 1,260,337). On page 4, line 114, of the patent specification, it states:

> It is understood from the preceding that up to the present, sound and picture negatives have been produced on separate strips of film. These two negatives must, therefore, be photographically printed on a single film or on opposite sides thereof.

As Professor Dr. Lehmann, the expert in the preceding lawsuit, Electrical Research v. Tobis, correctly stated in his written opinion of April 27, 1930, which formed the subject matter of the oral hearing, it is the essence of

Craig's invention that the sound print is not composed of silver, but of an invisible substance transparent to visible light and absorbing heat rays only. The sound print can therefore overlay the picture, without being visible, and operates when heat rays, which operate on a thermopile or similar apparatus sensitive to heat, pass through it. Practically the sound print lies on a special gelatine coating, either over the photographic picture coating or upon the back of the film. Craig, as the above-mentioned expert correctly states, says in the patent specification that he invented a film admitting of the synchronous production of pictures and sounds with the ordinary projection apparatus, sound and picture being recorded and reproduced simultaneously, without the possibility of a disarrangement of the synchronism. Furthermore, sound and picture may also be reproduced separately. The operation is extremely simple. Picture and sound overlay one another, without interfering one with the other, and are both photographically-recorded and reproduced. The American patent specification does not enter into the particulars of prior sound-recording processes, rather merely the advantages of the process here described as against the synchronization with record discs are emphasized. The expert, Professor Dr. Lehmann, as appears from the aforementioned written opinion, considers the production of sound sequences having the capacity mentioned in the American patent specification of complete transparency to visible light, a problem unsolved to this day. The Plaintiffs, on the contrary, hold the opinion that the process can be carried out practically throughout, since owing to the special qualities of Craig's sound recordings with the employment of infra-red rays, no interference with the projection of the picture occurs, despite the fact that sound and picture overlay one another, and for the question of practical usability, rely on the opinion of an expert. However, the hearing of an expert on this question was not required. For, quite apart from the fact that according to the propositions of the Ameri-

can patent specification 1,260,337, a positive film containing picture sequences and photographically-recorded sound sequences can only be reproduced in an extraordinarily complicated manner and that this film, when coated on face and back, is exceptionally liable to damage, the positive film in question is not a positive film within the meaning of Patent 368,383, in which picture sequences and photographically-recorded sound sequences are arranged side by side on the same side of a single positive film. The Plaintiffs' view, that Craig set himself the task of avoiding the disadvantages proceeding from printing side by side, that the normal film strip must be made wider or the picture narrower in order to produce the sound sequence on the positive film, finds no basis in the American patent specification, as already stated above, and is, therefore, a pure supposition.

Finally as regards the British patent specification 157,751 quoted by the Plaintiffs with regard to the state of the art at the time of the filing of the application for the Patent 368,383, the parties are agreed, that the description of the British was published originally after the date of the application for the patent 368,383 and, therefore, must not be considered in the examination of the state of the art, and, therefore, the abridgment only should be considered.

This abridgment runs in translation:

> Relates to combined Kinematographic and photographic systems, in which a moving picture or the like is accompanied by the reproduction of appropriate words or other sounds, and more particularly to systems in which the sound record is made on a film by optical means. According to the invention, the source(s) from which the recorded sounds emanate do not form part of the original scenes or other subjects photographed. The sound-record may be produced whilst the picture record is being made, and for this

purpose, the sound film is arranged on a drum which is positively coupled to the feed mechanism of the picture film, so as to synchronize therewith. The sources of sound which produce the record are arranged outside of the field of the objective lens of the Kinematograph. Instead of this procedure, scenes may be Kinematographed separately and the sound record produced afterwards, whilst the picture is being reproduced on the screen, in such a way that both records are in accordance. Both records may, if desired, be produced on one film. According to another method, a sound record may be made by assembling separately-produced items appropriate to the subject of a picture film into one series. Corresponding identification marks are provided at intervals on the two correlated films.

From this abridgment the Plaintiffs gather the idea of the composite printing of a negative containing the picture sequences and a negative containing the sound sequences on a single positive film. They find there described just the method of full synchronization (simultaneous recording) of sound and picture, and then the method of subsequent synchronization (consecutive recording of sound and picture) and wish to construe the sentence "Both records may, if desired, be produced on one film", as relating to both methods, but in particular to the method of subsequent synchronization, according to which the picture negative is produced first and the sound negative only subsequently, and wish to interpret it as meaning that from the two negatives (records) one single positive film may be produced. For confirmation of the correctness of their interpretation, they present page 2, lines 13 seq. of the British patent specification 157,751, which states:

The further treatment of the picture film after recording has taken place is in both cases the usual one as

> regards the printing process, reproduction, etc. When the companion film had the same speed of feed as the picture film in its recording, the two series of incidents may be printed for convenience in reproduction as in printing on one film.

and on claim 5) of this patent, which runs:

> Photophonetic companion film according to claim 1) characterized by the fact that the series of photograms of the picture and companion films are printed on one film.

The Defendant rightfully pleads as against this, that it is not permissible to interpret the abridgment on the basis of the patent specification published originally after the date of the application for the Patent 368,383. In their opinion, the invention, which this abstract describes, consists in the idea of having the sounds which accompany the pictures emanate from a source of sound, which is not photographed with them, in order to create in this way the possibility of having the picture part of the talking film and the sound part produced by different actors. As he sees it, the abstract presents two methods of achieving this: Either the sound film may be recorded simultaneously with the picture series, in which case the sources of sound are arranged outside of the picture angle [range] of the cinematograph. Or it is possible, also, to produce picture sequence and sound sequence consecutively, but in such a way that they are in accordance with one another. These two possibilities the Defendant finds exemplified by corresponding photographic methods in next following sentences, where it is first said that picture and sound may be produced on the same film, and afterwards specified that according to another method the sound sequences may be produced separately and only combined with the picture sequences when reproduced. Accordingly, they construe

the possibility of producing both records on one film, as relating to the case of simultaneous production of picture sequence and sound sequence, and the second possibility, inversely as relating to the case of consecutive production of picture sequence and sound sequence, provided with "identification marks" for the purpose of joint production. For the correctness of this interpretation, the Defendant cites in particular the fact that the word "produce" in the sentences immediately preceding the sentence "Both records may, if desired, be produced on one film" is used three times in the sense of the production of the negatives, whereas it is not used elsewhere in the abstract in the sense of the production of a positive. The expert, Dr. Tappan, employed by the Plaintiffs ad 1), in his opinion of December 31, 1932, submitted by the Plaintiffs ad 1) in the proceedings concerning the remission of the provisional injunction—216 b. Q. 93,32—had first interpreted the abovementioned sentence in conformity with the view of the Defendant, that the word "produced" had reference to the records and not to the print, emphasizing that this interpretation was given "without any consideration of the patent specification" 157,751 "itself" and could not be maintained after a consideration of this patent specification. Afterwards, in a letter of October 9, 1933, directed to the Universum-Film A. G., he characterized this interpretation of the word "produce" as wrong and adopted in this respect the interpretation of the abridgment given to it by the Plaintiffs, referring to his defective knowledge of the English language. The Plaintiffs pleaded, in addition, that an English technical expert by them, who knew only the abridgment and not the complete text of the British patent specification 157,751, had understood the said sentence of the abridgment in the sense that both records might be combined on a single film, after they had first been produced separately. Even assuming the correctness of this contention of the Plaintiffs, it does not in any way prove that the abridgment is absolutely unequivocal in the mean-

ing given by the Plaintiffs. In consideration of all the facts in the case, the Senate reached the conclusion that the abridgment, when read without bias, for an expert, knowing neither the British patent specification 157,751 nor the patent specification 368,383, did not at the time of the filing of the application for patent 368,383, viz., April 14, 1921, disclose the idea of the composite printing of two separate negatives on one positive film so unequivocally that he could recognize it clearly from this abridgment.

The publication of an invention, however, may be considered as having been made only if the printed specification describes the instruction forming the subject matter of the invention so clearly and distinctly that the expert can gather it therefrom without further ado. (c. f. Isay. Patentgesitz, 6th edition, note 4 ad article 2). Since according to the conviction of the Senate, the abridgment from the British Patent 157,751 admits of the interpretation of the Plaintiffs as well as that of the Defendant, the abridgment must be left out of account in so far as the Plaintiffs conclude therefrom the publication of the idea inferring the composite printing of two separate negatives on one positive film. The result of this discussion of the state of the art at the time of the filing of the application for the Patent 368,383 is accordingly that the three instructions herein derived from the patent specification for the solution of the problem set out herein before and disclosed in the patent specification, had not yet been published at the time of the filing of the application for the Patent 368,383, according to the state of the art within the meaning of article 2 of the Patent Act. For the Plaintiffs have proved as known only the following ideas:

1) When using a single negative, which contains picture sequences and photographically-recorded sound sequences side by side, to print the same without separate development of the picture sequences and the sound sequences, on one positive film,

2) when using separately recorded and developed negatives to produce a single positive film in such a way that—

a) the mechanically-produced sound sequences are impressed along (side) the picture sequences,

b) several picture sequences are printed into one another, over one another, or side by side on the same film,

c) the picture sequences are combined with writing,

d) several cinematograms are combined with each other,

e) sound marks are printed between the picture sequences,

f) the positive of the picture sequences and the positive of the sound sequences are cemented,

g) picture sequences and photographically-recorded sound sequences are printed over one another, or the picture sequences on the face and the sound sequences on the back of a film.

The instructions derived hereinbefore from the patent specification 368,383 to produce a positive film constituting a unit, which contains on the same carrier, side by side, picture sequences and photographically-recorded sound sequences in such a way that

in simultaneous recording of sound and picture on a common negative, the negatives of the picture sequences and of the sound sequences shall be separated one from the other, both parts developed separately,

and thereupon printed side by side on a common positive film,

or,

in the separate recording of the picture sequence on one negative and the sound sequence on another negative, both negatives, in so far as they are not yet developed, shall be developed separately, individually, and thereupon printed side by side on a common positive film,

or,

in case of the existence of a completely-developed negative of the picture sequence and the later recording of the negative of the sound sequence, the negative of the sound sequence shall be developed alone, and thereupon the negative of the picture sequence and the negative of the sound sequence printed side by side on a common positive film,

differs as regards each of its three methods of solution from the ideas proved to have been previously known in at least one of its features, which in their combination alone will result in the positive film aimed at by the inventor. Thus, for example, the idea ad 1) lacks the feature of the separate development of the picture sequence and sound sequence negatives; the ideas ad 2 b), c) and d) do not deal with sound picture films; the idea ad 2 a) does not show a photographically-recorded sound sequence; the idea ad 2 e) does not result in a continuous sound sequence which is arranged along (side) the picture sequence; no positive film constituting a unit can be produced according to the idea ad 2 f) but only a positive film composed of two positives cemented together; and in the idea ad 2 g) the picture sequences and the sound sequences are not arranged side by side on a common coating, but over

one another on two coatings. In so far as these known ideas concern the production of sound-picture films at all, the instruction of Patent 368,383 characterized above, shows considerable advantages as compared with each one in particular. This appears clearly from the introduction of the description of patent specification 368,383, as compared with idea mentioned ad 1) and disclosed by the French patent specifications 448,757 and 459,535, and cannot be doubtful either as compared with the idea mentioned ad 2 a), published in the German patent specification 279,598 of Reimer, and the idea mentioned ad 2 e), disclosed by the American patent specification 1,254,684.* For the separate individual treatment of the negatives constitutes a considerable progress as compared with the simultaneous development of picture sequences and tone sequences recorded on the same negative, as set out in particular in the introduction to the patent specification 368,383. The same applies to the photographically-produced sound as compared with the mechanically-produced sound and to the continuous sound sequences arranged on the edge of the film, as compared with the sound marks arranged between the pictures. The idea mentioned ad 2 f), published in the American patent specification 1,335,651 of Bullis, results in a film, which, as correctly explained by the expert, Professor Dr. Lehmann, in his above-mentioned written opinion, shows the gross technical deficiency of becoming unfit for use after short projection, owing to the perforated middle seam of double thickness, so that its replacement by a film constituting a unit doubtless shows a substantial technical progress. Professor Dr. Lehmann, in the said opinion, has rightfully pointed out also the disadvantages of a film produced with the use of the idea mentioned ad 2 g), proposed by the American patent specification 1,260,337 of Craig, and has seen these disadvantages preeminently in the fact that in the coating

*Greensfelder.

of both face and back, the capability of being damaged is very great, and that in the applying of two coatings on the one face, the production is very complicated, so that the instruction of Patent 368,383, characterized above, shows a marked advantage as compared with the usability of the idea ad 2 g). Taking into consideration the French patent specifications 448,757 and 459,537 and the American patent specifications 1,254,684,[1] 1,260,337[2] and 1,335,651,[3] the expert heard in the previous lawsuit, Professor Dr. Lehmann, in his aforementioned written opinion, demonstrated by correct arguments, to which reference is made, that the new proposition of patent specification 368,383 constitutes, as compared with the said printed documents, a technical progress, which must result in assuming permanently inventive activities in the invention. As appears from his opinion of October 24, 1933, delivered to the Plaintiff ad 1), an inspection of the German patent specification 317,269 of Bolton-Baeckers, led to the conclusion that this process, in so far as it operates with separately recorded and developed negatives, can no longer be considered as an invention capable of being protected. The arguments for this stated by Professor Dr. Lehmann cannot be admitted as convincing. For this patent specification nothing but the statement that cinematograms which are recorded on two films, whose component parts cannot for some reason be recorded by means of a single apparatus, may be combined subsequently by composite printing, a statement made in the patent specification in connection with the special proposition of combining a pictorial record with the picture of the conductor beating time for the cinema orchestra. Now if it is considered that the German patent specification 317,299 never mentions sound-picture films, but that on the contrary, the invention described in this patent spec-

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[1]Greensfelder.

[2]Craig.

[3]Bullis.

ification concerns silent films solely, then the proposition contained in this German specification, the invention to be utilized in the combination of several cinematograms, if read with an unbiased mind, can only be held to relate to silent films. Thus this reference discloses at best a process, which, as the above discussion of the state of the art at the time of the filing of the application for Patent 368,383 has shown, had already been published for silent films in several of the publications dealt with (for example, the British patent specification 6,727 of Downing and 1,286,383 of Messter). The statement made by the expert, Professor Dr. Lehmann, that the purpose, the continuous musical accompaniment with the necessity of maintaining synchronization, as well as the means, the individual development adapted to varying lighting conditions, existed in analogous form in a film produced according to the German patent specification 317,299 and the sound picture film of 368,383, does not take into account the material distinction, that the one is a method resulting in a silent film only, whereas the other is a method resulting in the sound-picture film. This material distinction between a combined picture film and a sound and picture film, where the sounds are photographically-recorded, lies particularly in the fact that a reproduction of the sounds, free from any distortion, is only possible if the darkening of the sound lines on the sound print produces changing conditions of light, which exactly correspond to the changing conditions of light during recording, whereas, naturally other instructions have to be heeded for the suitable darkening of the picture print. For this reason alone the Plaintiffs' view cannot be admitted as correct, that the transfer of the expedients known [usual] for the production of silent films to the production of a sound-picture film, according to the established facts stated above in the patent specification 368,383, were so obvious for the average expert, that no further invention was needed for it.[to effect it]. The contrary is confirmed by the propositions made by Bullis and Craig, which doubt-

less most resemble the propositions of the patent specification 368,383, and which, nevertheless, were not able to accomplish the instructions given solely in patent specification 368,383 as characterized above. For the very reason that the numerous prior publications and other propositions on the state of the art presented by the Plaintiffs did not result in the solutions, so simple in practice, which first made possible the production of really serviceable sound-picture films, the progress from the state of the art at the time of the filing of the application for Patent 368,383 has to be considered, in contrast to the Plaintiffs' view, as an inventive achievement worthy of protection. Accordingly the protection of Patent 368,383 has to be extended to these instructions. There again the Plaintiffs cannot rely successsfully on the decision of the United States District Court submitted by them, especially as the Defendant has proved with correct reasoning, that the decision proceeds obviously from principles of patent law quite different from those applicable under German law.

As the District Court has established with correct arguments, and as a comparison of the methods characterized by the Plaintiffs with the instructions protected by Patent 368,383, as was proved above, confirms, all the acts, the rightfulness of which the Plaintiffs wished to see established, constitute an unlawful infringement of the rights guaranteed to the Defendant under Patent 368,383. The same applies also for the reasons correctly stated by the District Court, to which reference is made here, to the subsequent synchronization of the talking film "Deutsche Sinfonie". Therefore the declaratory claim is dismissed as unjustified. Accordingly the claim for damages preferred by the Plaintiffs against the Defendant must also fail of justification, no examination being required of the question whether the Plaintiff ad 1), which the Defendant denies, has really suffered a loss through the provisional injunction.

Accordingly it had to be decided as has been done. The decisions as to costs is based on the provisions of Articles 91, 97, and 101 ZPO. Under the provision of Art. 708, no. 7, ZPO, the decision was declared provisionally executory. The other decisions are justified by Articles 713 and 108 ZPO.

Signed	Signed	Signed
NATORP	KUSCH	SCHUMANN

Completed
Berlin, May 25, 1934.

Konetzkow Justizangesteller.
As Clerk of the Kammergericht.

Seal of the
Kammergericht
Berlin

The preceding signature of Justizangestellter Konetzkow
As clerk of the Kammergericht
is herewith certified
The clerk is entitled to certify the copy
Berlin, December 29, 1934
The president of the District Court
represented by
Gardiewski
Seal of the president of the district court.

American Consular Service.

German Reich,
Province of Brandenburg,
Consulate General of the United States of America
at Berlin. } ss.:

I, Prescott Childs, Consul of the United States of America at Berlin, German Reich, duly commissioned and qualified, do hereby certify that

Gardiewski

whose true signature and official seal are, respectively, subscribed and affixed to the foregoing instrument, was at the time of subscribing same an official of the Prussian

Landgericht at Berlin of the .....

German Reich, duly commissioned and by law authorized to execute such acts, and that his signature and official seal affixed thereto are genuine, and as such are entitled to full faith and credit.

IN WITNESS WHEREOF I have hereunto set my hand and the seal of the Consulate General at Berlin, German Reich, this 28th day of December, 1934.

PRESCOTT CHILDS
Consul of the United States of America.

(SEAL)

AMERICAN CONSULATE GENERAL
American
Foreign Service
$2.00 Dec. 28—1934
FEE STAMP
BERLIN, GERMANY

For the contents of the annexed document the Consulate General assumes no responsibility.

DECISION OF THE REICHSGERICHT.

I. 189/1934.

In the name of the German people

Pronounced
December 22, 1934
Signed, Merck
Regierungsinspektor
As Clerk of the Court

In re

1.) The firm, Naturfilm
Robert Schonger
Berlin S W11, Anhalterstrasse 7.

2.) The firm Aktiengesellschaft für Filmfabrikation in Berlin-Templehof, Viktoriastrasse 13/18, Represented by its directors K. Waschneck and A. Guenthal, of the same place.

Plaintiffs and Appellants,

Counsel: Dr. Benkard, advocate of Leipzig,

versus

1.) Firm Tobis, Tonbildsyndikat AG. of Berlin W 8, Mauerstrasse 43, represented by its director, Dr. Hans Henkel, of the same place
Defendant and Appellee.

2.) Klangfilm—GmbH in Berlin SW 11, Askanischer Platz 4, represented by its managers, Dr. Rottgardt and Schwab, of the same place.
Co-intervenor and Appellee.

Counsel: Attorney Privy Councillor of Justice, Dr. Wildhagen in Leipzig.

The Reich Court (The Supreme Court) I. Civil Session.

Upon the oral hearing of December 22, 1934,
with participation:

Of the Senate President Triebel and the Reichsgerichtsrate Dr. G. Mueller, Dr. Conzes, Dr. Delius and Dr. Pinzger.

decided:

The appeal from the decision of the 10th Civil Session, Circuit Court in Berlin, of February 10, 1934, is rejected.

The Plaintiffs-Appellants must bear the costs of the appeal proceedings.

For the Sake of Justice.

Facts of the Case.

The defendant was formerly proprietor of an exclusive license on the DRP. 368,383, granted effective as of April 15, 1921, which he acquired January 26, 1933. This patent concerns a process for producing films with picture sequences and photographed sound sequences. The patent claims are worded as follows:

1.) Process for producing positive films, comprising picture sequences and photographically-recorded sound sequences characterized by the fact that the negatives are developed separately.

2.) Process according to claim 1.) which is characterized by the fact that the record of sound and the picture sequences are recorded on a single film which is subsequently separated.

3.) Process according to claim 1.) which is characterized by the fact that the negatives, after treatment, are combined one with the other longitudinally.

The defendant [patent owner] took the position as against the Plaintiff ad 1) [film producer] that, on the basis of the above mentioned patent, he alone is entitled to produce or cause to be produced positive films comprising picture sequences and photographically-recorded sound sequences by developing the negatives separately and combining them, after separate treatment, by composite printing on a single positive film. The defendant took the same position as against the plaintiff ad 2) [film laboratory], who is engaged in separate development of sound and picture strips (films) which are recorded separately, and in the composite printing on a single positive film. The defendant expressed this as against the plaintiff ad 2) in a letter of December 20, 1932, and as against the Plaintiff ad 1) in proceedings concerning the issuance of a provisional injunction.

With the claim, the plaintiffs made the following motion: to establish that each of the plaintiffs is entitled to commerically produce, or to cause to be commercially produced, positive films comprising picture sequences and photographically-recorded sound sequences in which the sound recording and the picture recording are effected on separate strips of film, by developing the negatives separately and producing therefrom, by consecutive printing, a single positive film comprising sound and picture; or to place on the market, offer for sale, especially to sell or let out, positive films so produced.

The plaintiff ad 1) moved further: to order the defendant to pay to him 20,000 RM., and auxiliarily: to establish that he is entitled to commercially produce or to cause to be commercially produced, positive films containing picture sequences and photographically-recorded sound sequences in which the picture recording takes place be-

fore the recording of the sound, and, what is more, on a strip of film other than that on which the sound is recorded, by developing the negatives separately and producing therefrom, by consecutive printing, a single positive film comprising sound and picture; or to put on the market, offer for sale, especially to sell or let out, positive films so produced.

The plaintiffs are of the opinion that the defendant wrongfully gives to DRP 368,383 the above interpretation; the extent of protection of this patent is actually limited, according to the state of the art, to the cases of joint recording of the sound picture on one and the same strip of film and consequently does not embrace in particular the subsequent synchronization of silent films, for which the defendant brought charges against the plaintiff ad 1). Through these charges in connection with the preparation of the sound picture film "Deutsche Symphonie", the plaintiff ad 1) suffered a loss of more than 20,000 RM.

The defendant moved to dismiss the claim and said in substantiation that the state of the art at the time of the filing of the application for the patent DRP 368,383 justifies his interpretation of the extent of protection of the patent. The significance of this patent is best apparent from the fact that previously serviceable positive films with sequences of pictures and photographed sound record had not existed at all.

The District Court dismissed the claim. The plaintiffs lodged an appeal and with the application for an alteration of the decision of the District Court, gave their application the following wording:

1.) To establish that each of the plaintiffs is entitled to commercially produce or cause to be commercially produced positive films comprising picture sequences and photographically-recorded sound sequences, and on which the picture recording and the sound recording take place on separate film

strips, by developing the negatives separately, and producing from these negatives, which remain separated, by simultaneous printing, or by, as regards space or time, consecutive printing on a single positive film comprising sound and picture; or to commercially place on the market, offer for sale, or especially to sell or let out, positive films so produced.

2.) Only plaintiff ad 1) auxiliarily:

To establish that plaintiff ad 1) is entitled to commercially produce or to cause to be commercially produced, positive films comprising picture sequences and photographically-recorded sound sequences, in which the picture recording is separated in time from the sound recording and, what is more, is effected on a strip of film other than that on which the sound is subsequently recorded, by developing the negatives separately and by producing from these negatives, which remain separated, through simultaneous printing or, as regards space or time, consecutive printing, a single positive film comprising sound and picture; or to commercially place on the market, offer for sale, or especially sell or let out, positive films so produced.

3.) Only plaintiff ad 1):

To order the defendant to pay to plaintiff ad 1) the sum of 20,000 RM.

Klangfilm GmbH., having joined the defendant as co-intervener with the defendant, the defendant and co-intervener moved the rejection of the appeal. The Kammergericht complied with this request. The plaintiffs lodged an appeal and moved that the contested decision

be reversed and judgment pronounced in accordance with their motions of appeal. Auxiliarily, they finally gave their applications for a judgment declaratory in the second proceedings the following phrasing:

A) It is moved:

To establish that each of the plaintiffs is entitled to commercially produce or to cause to be commercially produced, positive films comprising picture sequences and photographically-recorded sound sequences, in which the sound recording and the picture recording is effected on *two* strips of film wound on different spools, *which* [strips of film] *are led, not jointly, but independently of each other, through two different recording cameras, one for the picture and the other for the sound*, such production being carried out by developing the negatives separately, i. e., independently of each other, and producing from them by consecutive printing, a single positive film comprising sound and picture; or to commercially place on the market, offer for sale, or especially sell or let out, positive films so produced.

B) The plaintiff ad1) auxiliarily:

To establish that the plaintiff ad 1) is entitled to commercially produce or cause to be produced positive films comprising picture sequences and photographically-recorded sound sequences in which the picture recording precedes, as regards time, the sound recording, and, what is more, is done on a strip of film, the development of which is complete before the sound recording, such production being carried out by producing from these negatives, developed at different times, by simultaneous, or, as re-

gards space and time, consecutive printing on a single positive film comprising sound and picture; to commercially place on the market, offer for sale, or especially to sell or to let out, positive films so produced.

The defendant and the co-intervener requested that the appeal be rejected.

Reasons for the Decision.

The Kammergericht rightfully proceeds from the view that the basis for the determination of the extent of protection of DRP 368,383 must be the delimitations of the inventive idea of the patent as presented by the problem discussed and the solutions disclosed in this patent. If the principal claim alone were considered, for the purpose of determining the subject matter of the patent, it would indeed be possible to believe that it concerns itself not with the complete [total] production of a positive film (film print), but only with the part comprising the process from the completion of the recording to the completion of the development of the negative. But the Kammergericht rightfully considered the entire contents of the patent specification, in order to ascertain therefrom what problem the patent solved. From this it became evident that the new process can only be achieved when the positive film is completed, and that the inventor by no means wanted to alter a part of an already known process, but rather to make known for the first time a serviceable process by which prints with undistorted sound sequences could be achieved. From this it is evident that the patent specification places under protection a combined process from the beginning of recording to the completion of printing, the uniform technical success of which [process] is assured, and that therefore the combination must be protected in its entirety, inasmuch as it is new in itself; from which it is of no con-

sequence whether individual parts of the process were already previously known. The Kammergericht proceeded according to these principles; the appeal, therefore, charges it unjustly with having violated the principles of law laid down for the determination of the extent of protection.

The Appellants complain that the disputed decision failed to perceive that of the three parts of the process of production, recording of picture and sound, development and treatment of the negative, printing and synchronization, only the second part was dealt with in the patent and in so far the knowledge of those skilled in the art enriched. Upon a careful examination of the description of the patent it appears, however, that all parts of the process are dealt with there. Even though, then, only one part is treated exhaustively and the patent specification is otherwise brief, because the process offers no material difficulties, it does not follow therefrom that the whole process of production cannot be covered by the protection. For the uniform technical success [result], which is the chief point, was a positive film which, as the Kammergericht points out, presented picture sequences and photographed sound sequences in an arrangement side by side, which has so far proved serviceable; and this result was in no way assured after the separation of the negatives, as long as the instructions of the patent were not followed, which, in spite of its relative simplicity, had been up to now neither set out nor applied. In this way, the Kammergericht establishes the uniform technical success, thus obtaining the basis for the determination of the inventive idea, both without evident legal error.

Accordingly no objection can be raised when the Kammergericht derives from patent specification no. 368,383, that the problem dealt with therein is this: Production of a positive film, constituting a unit, comprising in the known way picture sequences and sound sequences side by side on the same carrier [film], the sounds being recorded by way of photography. Thereto the Kammerger-

icht adds the wording of the solution: The positive film, constituting a unit, is obtained by producing picture negative and sound negative through a separate development and by printing the separate negatives on the single positive film in such a way that they are arranged there side by side. According to the further statements of the Kammergericht, which do not show any error in law, either there is nothing in the wording of the patent specification or in the course of the granting proceedings which is incompatible.

The Appellants think that they must conclude from the course of the granting proceedings, that the sentence "The recording may be effected either on two films . . .", was wrongfully included in the description and, therefore, must not be considered. The Kammergericht rightfully rejected this view. For the wording at issue is based on a suggestion taken over verbatim from the examiner, which, moreover, is conformable also in so far as contents is concerned with the original wording of the description. But even otherwise there can be no discussion of an expressly-ordered limitation of the protection claimed by order of the Patent Office. The examiner had contrasted the application with DRP 279,598 and had consequently demanded the cancellation of the original claim 2, whereby the separate recording of picture sequences and sound sequences was to be placed under protection. Only at first glance does this appear to be contradictory in the face of the examiner's aforementioned attitude. The Kammergericht rightfully pointed out, however, that DRP279,598 does not concern photographically-recorded sound sequences and that, therefore, the examiner's demand for the cancellation of the original claim 2) is understandable. This valuation of the granting proceedings cannot be objected to; it is in no way in opposition to the decisions of the Reichsgericht.

Accordingly the Kammergericht, without any legal error, came to the conclusion from the contents of the patent specification and the course of the granting proceedings, that

the subject of the patented process must not be limited to the employment of a strip of film originally constituting a unit, that, in any case, no such intention on the part of the patent office is discernible, and that, therefore, a protection limited to such an extent could be accepted only if the state of the art forced it. But exactly this the Kammergericht denies without any legal error, by following the deductions of the expert Professor Dr. Lehmann, in his opinion of April 27, 1930, to the use of which no objection can be raised.

To the arguments of the Kammergericht on the state of the art, the Appellants in contrast to their written deductions, have stated in advance generally that the state of the art had been absolutely correctly established by the Kammergericht on the whole, but have complained that the Kammergericht had not correctly estimated the American patent specification 1,260,337 (Craig). Therefore it may be taken for granted that the French patent specifications 448,757 and 459,537 reflect the earlier state of the art, on which sound and picture were recorded on one strip of film and this strip was treated as a unit, because it was believed that only thus could the synchronization be safeguarded. A separate treatment of picture and sound could certainly not be in dispute here. This possibility appeared subsequently in the processes of the two American patents of Craig and Bullis (Nos. 1,260,337 and 1,335,651). The Kammergericht, supported by the abovementioned opinion of Dr. Lehmann, deemed them not prejudicial to the novelty [of the invention], because processes are described there which differ materially from the process of the patent in suit.

Bullis uses for recording two separate strips [films], treats both negatives separately, and produces two independent positives, the synchronization of which must be secured by matching [harmonizing] the positive films according to the perforation holes or by cementing the marginal edges of the two films. The problem of the

patent in suit does not come into consideration at all here, as the Kammersgericht correctly shows. Also the valuation of the Craig patent is not to be objected to. The Kammergericht rightfully examines this previous publication to see what is here disclosed and therefore, according to Article 2 of the Patent Law, can no longer be considered as new [novel]. The Appellants believe that they must complain that the Kammergericht wrongfully did not fully consider what is disclosed in Craig's patent specification. But the Appellants cannot be agreed with in this. For the Kammergericht, in reference to Lehmann's opinion, took pains to elucidate exhaustively the inventive idea of the American patent 1,260,337 and has without evident legal error established that there the problem of creating a positive constituting a unit is solved *by means other* than those proposed by the patent in suit. Craig printed picture and sound strips (films) *on different coatings* on the same side [face] of a positive film strip, or on different sides [faces] of the same film strip. A product such as obtained by the patent in suit, is never obtained on account of the differing means, as stated, of procedure. In any case, the instruction to print two separately-developed negative strips [films] side by side on the same positive film cannot be derived from the specification of the Craig patent.

The plaintiffs have tried to prove that the defendant's process according to DRP 368,383 is distinguished from the Craig process in yet another respect and that exactly in this respect the plaintiffs did not make use of the means of the patent in suit, even though the defendant's view of the signification of the patent in suit were otherwise followed. This employs, namely, the single-track system, in which the objective for the picture and the sound slit are fitted on the same recording apparatus, despite the recording on two independent negative strips [films]. On the contrary, Craig, and in conformity with him, the plaintiffs, employs the two-track system, with separate cam-

eras for the picture and sound recording. The expert Lehmann did not find a difference worthy of consideration in this and the Kammergericht followed him. No legal error can be found therein. On interrogation, the plaintiffs had admitted, that according to the so-called two-track system the records must be taken simultaneously for picture and sound strips [films] and that arrangements must be made in order to safeguard synchronization in the production of the positive film. For the solution of the problem here in question it is then of absolutely no importance whether a single apparatus is used for recording or whether two recording apparatuses are used, which are connected or adjusted to each other in a manner sufficient for synchronization.

Hence it follows that the means (apparatus) used by Craig for the recording of negative films are equivalent to those of the patent in suit. If this is not explicitly stated in the decision of the Kammergeright, it is nevertheless evident from this decision that the Kammergericht considered as irrelevant the difference so strongly emphasized by the Appellants. That is sufficient and is consistent throughout with the decisions of the Reichsgericht, on the equivalence of different means for the solution of the same technical problem. Hence it follows further that the plaintiffs cannot base their motions of complaint, even in their latest form, on the use of the two-track system. In particular, the protection of the patent in suit cannot be limited to complete synchronization and the plaintiffs' contested process for subsequent synchronization released to the plaintiffs. For as long as the patent in suit specifically emphasizes that it is of no consequence whether the printing of picture and sound is effected simultaneously or consecutively, and even describes the latter as preferable, the difference in time between the two parts of the printing can play no role. Therefore the two lower courts have rightfully dismissed the complaint in full.

The appeal must accordingly be rejected.

Signed. TRIEBEL DR. G. MÜLLER CONZE
DELIUS PRINZGER

Prepared

MERCK [Signature]
Reigerungsinspektor
as Clerk of the Court.

The preceding signature of Reigerungsinspektor Merck is certified with the remark that the mentioned is legally entitled to issue this copy.

Leipzig, the 14th of January, 1935.

Official seal [Identified as the seal of the Deutsches Reich.]

The President of the Reichsgericht
BUMKE [Signature]

Value of the subject of contest
in the Court of Revision
200,000 RM.
Defined by decision of December 22, 1934.

GERMAN REICH
STATE OF SAXONY
CONSULATE OF THE
UNITED STATES OF
AMERICA AT LEIPZIG } S. S.

I, Ralph C. Busser, Consul of the United States of America at LEIPZIG, State of Saxony, do certify that Dr. E. Bumke whose signature is subscribed to the foregoing instrument was at the time of subscribing the same

President of the Reichsgericht
(Supreme-Court of Germany)

at Leipzig State of Saxony, Germany
duly commissioned and by law authorized to execute such acts, and that his signature and official seal affixed thereto are genuine, and as such are entitled to full faith and credit.

WITNESS MY SIGNATURE and Seal of Office at Leipzig, Germany,
this 15th day of January, in the year 1935.

RALPH C. BUSSER
Consul of the United States of America

Serv. No. 69
Fee No. 38
AMERICAN
Foreign Service
Jan. 15 1935
$2.00
FEE STAMP

(CONSULAR SEAL)

Affidavit of Grenville Meixel, Translator.

State of New York,)
County of New York,) ss.:

Grenville Meixel, being first duly sworn, deposes and says:

I am of mature age, a resident of New York City, New York, and I am the librarian of the Applied Science Library of Columbia University, New York City, New York.

I am thoroughly familiar with the German language as used in German patents and in other technical and scientific matter and frequently in connection with my employment as librarian it is my duty to translate such matter from German into English.

I have given careful consideration to the three accompanying certified copies of German court decisions, as follows:

(a) Decision of the District Court I of Berlin, Germany, In re Naturfilm Hubert Schonger and Aktiengesellschaft fur Filmfabrikation, Plaintiffs, v. Tobis Tonbildsyndikat Aktiengesellschaft, Defendant;
(b) Decision of the German Kammergericht, and,
(c) Decision of the German Reichsgericht, on appeals in said suit;

and I depose and say that the annexed translations of said decisions were prepared by me and comprise complete and accurate translations into English of said decisions.

GRENVILLE MEIXEL.

Subscribed and sworn to before me
this 1st day of February, 1935.

W. Houston Kenyon, Jr.,
Notary Public.

(Seal)
New York County Clerk's No. 382.
Commission expires March 30, 1936.